

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6928**

**BILL NUMBER:** HB 1300

**DATE PREPARED:** Jan 5, 2002

**BILL AMENDED:**

**SUBJECT:** Motor Vehicle Plates.

**FISCAL ANALYST:** James Sperlik

**PHONE NUMBER:** 232-9866

**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill requires that letters on license plates that are a part of the registration identifier be the same size as the numerals that are a part of the registration identifier. It provides that a personalized license plate is valid for five years. The bill requires renewal of registration of a personalized license plate to be completed by October 31 of the year before issuance of the personalized license plate or any indicia of renewal of registration. It makes conforming amendments.

**Effective Date:** July 1, 2002.

**Explanation of State Expenditures:** Prison Enterprise Network (PEN Products), the manufacturer of license plates, reports that requiring that the letters and the numerals on a license plate, both a personalized license plate and the standard passenger and pick-up truck license plate, can be the same size and can be accomplished at no additional cost. To accomplish this, both the letters and the numerals will both be smaller in size. (As a point of information, standard passenger and pick-up truck license plates cost \$2.60 per plate to produce, while personalized license plates cost \$3.80 per plate to produce.) The fund affected is the PEN Products Revolving Fund.

The Bureau of Motor Vehicles (BMV) reports that making the personalized license plate valid for five years allowing the registration of a personalized license plate to be completed by October 31 of the year before issuance of the personalized plate can be accomplished with no additional cost. The fund affected is the Motor Vehicle Highway Account (MVHA) which supports the BMV.

Providing that a personalized license plate is valid for five years will reduce the costs associated with their production. Currently, the personalized license plate is valid for one year, and the holder of the plate receives a new plate very year. In CY 2000, there were 45,413 personalized license plates issued. At \$3.80 per plate, the BMV would save an estimated \$172,569 per year for four years, or \$690,276 in total. The fund affected is the MVHA. Monthly stickers would be issued in lieu of a new plate.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Bureau of Motor Vehicles; Department of Correction (PEN Products).

**Local Agencies Affected:**

**Information Sources:** Melanie Schwartz, Deputy Commissioner of the Bureau of Motor Vehicles, 233-1218; Becky Gillam, Sales and Marketing Director of PEN Products, 388-8580, ext. 220.